

## Financial Forecast

A budget is a plan that develops and allocates the County's financial resources to meet community needs for both the present and the future. Long range planning consists of many elements across the county. Each elected and director spends many hours planning for their individual areas.

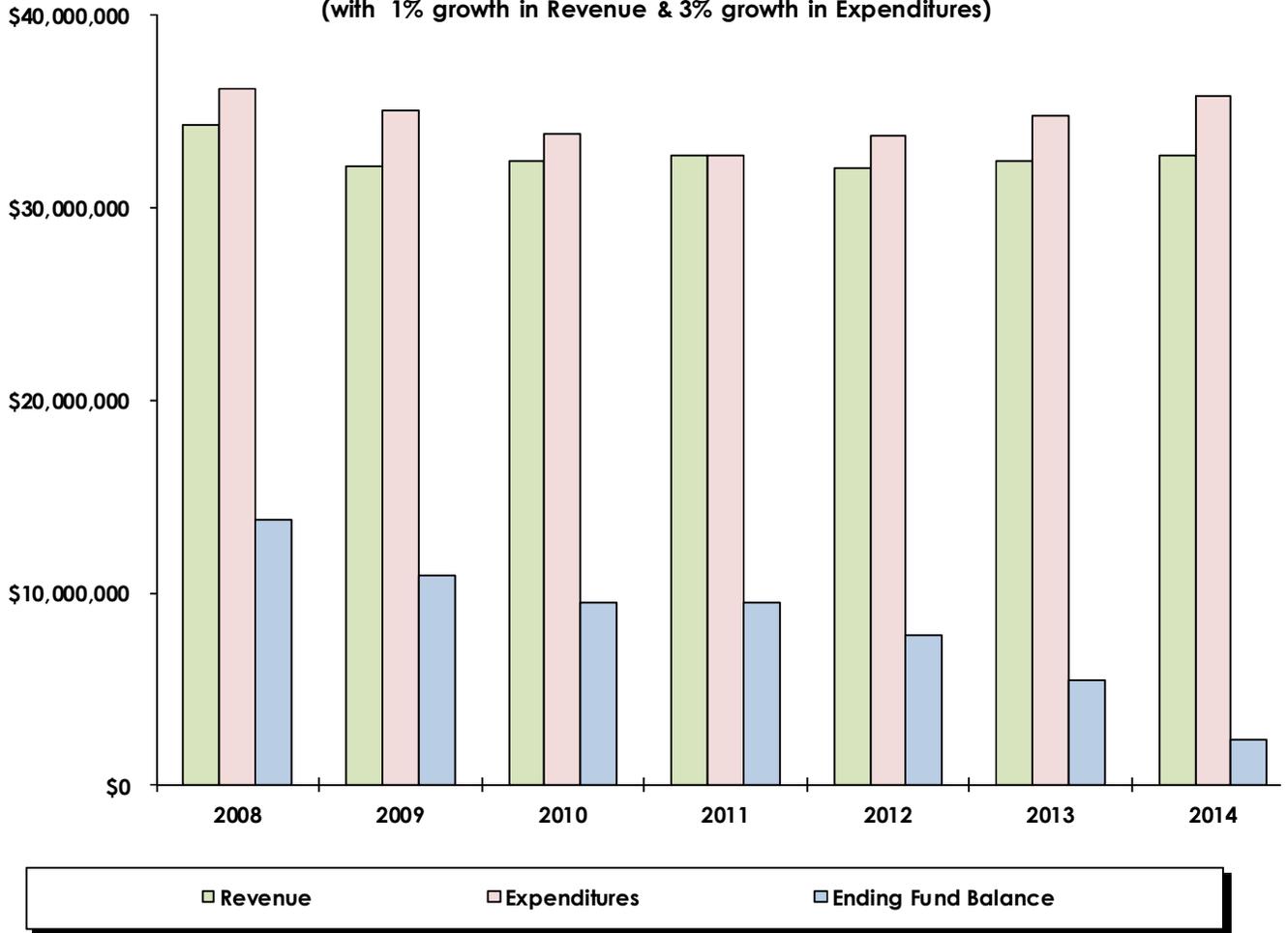
The following graph of the Current Expense Fund depicts actual past revenue and expenditures as well as one example of future probabilities. This graph does not show actual future events but attempts to forecast a reasonable scenario. The Current Expense Fund, or General Fund, is the main operating fund for the County. In order to predict future revenue and expenditures for the purpose of long-range planning the following graph has been provided. Since revenue has decreased or been flat for the past few years the future growth expectation has been limited to 1%. The expenditure forecast shows future growth at 3%. This cost increase is conservative as past years have grown as much as 8-11%.

As seen in this scenario revenue growth is not keeping up with expenditure growth. The County has used reserves over the past few years to balance the budget. This cannot continue indefinitely as reserves would soon run out. County elected officials continue to look for new revenue sources as well as cost savings during the budget process each year.

## Financial Forecast

**2008-2014**

(with 1% growth in Revenue & 3% growth in Expenditures)



	Actual 2008	Actual 2009	Est. Actual 2010	Budget 2011	Projected 2012	Projected 2013	Projected 2014
Beg. Fund Balance	15,671,467	13,792,636	10,876,432	9,513,107	9,513,107	7,848,001	5,491,484
Revenue	34,275,660	32,117,131	32,457,854	32,755,323	32,072,877	32,393,605	32,717,541
Expenditures	36,154,491	35,033,335	33,821,179	32,755,323	33,737,983	34,750,122	35,792,626
Ending Fund Balance	13,792,636	10,876,432	9,513,107	9,513,107	7,848,001	5,491,484	2,416,400
<b>Use of Reserves</b>	<b>-1,878,831</b>	<b>-2,916,204</b>	<b>-1,363,325</b>	<b>0</b>	<b>-1,665,106</b>	<b>-2,356,517</b>	<b>-3,075,085</b>

**NOTES:**

REVISED AS OF 01/01/2011

Forecast shows a structural deficit. As long as revenue remains flat, expenditures cannot grow or reserves must be used.

2010 and 2011 revenue includes a \$1 million Shift of property taxes from the Roads fund

2012 Revenue decreases without the \$1 million shift from Roads

2011 represents the 2011 Final Budget

2012-2014 Revenue projection increased by 1% as this is the average 3 year growth

2012-2014 Expenditure projection increased by 3% per year even though actual growth from 2007-2009 was 7%